

Highlights

U.S. crude oil refinery inputs averaged 15.8 million barrels per day during the week ending May 21, down 121,000 barrels per day from the previous week's average. The largest decline was in the Gulf Coast region (PADD III), which fell by 100,000 barrels per day to average nearly 7.6 million barrels per day. Refineries operated at 94.6 percent of their operable capacity last week. Motor gasoline production declined slightly, but still averaged nearly 8.9 million barrels per day.

U.S. crude oil imports averaged 10.5 million barrels per day last week, up 554,000 barrels per day from the previous week, and the fourth largest weekly average ever. Crude oil imports into the West Coast (PADD V) averaged over 1.2 million barrels per day, the fifth largest weekly average ever. Over the last four weeks, crude oil imports have averaged over 10.0 million barrels per day. Total motor gasoline imports (including both finished gasoline and gasoline blending components) averaged 850,000 barrels per day last week, down 105,000 barrels per day from the previous week. Distillate fuel imports averaged 338,000 barrels per day last week.

U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) remained at 298.9 million barrels, and are currently 16.6 million barrels less than the 5-year average for this time of year. Motor gasoline inventories dropped by 0.7 million barrels last week, and are 9.7 million barrels below the 5-year average. Distillate fuel inventories decreased by 0.5 million barrels, with most of the decrease seen in low-sulfur distillate fuel (diesel fuel). At 108.7 million barrels, distillate fuel inventories are

4.7 million barrels below the 5-year for this time of year. Total commercial petroleum inventories are 58.3 million barrels less than the 5-year average.

Total product supplied over the last four-week period has averaged nearly 20.2 million barrels per day, or 3.9 percent more than averaged over the same period last year. Motor gasoline demand over the last four weeks has averaged over 9.1 million barrels per day, or 1.5 percent above the same period last year. Distillate fuel demand is up 4.1 percent, while kerosene-type jet fuel demand is up 8.8 percent over the last four weeks compared to the same four-week period last year.

The average world crude oil price on May 21, 2004 was \$36.15, \$1.14 more than last week and \$11.23 above a year ago. WTI was \$39.83 per barrel on May 21, 2004, \$1.59 under last week but \$10.09 higher than last year. The spot price for conventional gasoline in the New York Harbor was 136.15 cents per gallon, 3.05 cents lower than last week but 52.85 cents over a year ago. The spot price for No. 2 low-sulfur diesel fuel in the New York Harbor was 104.55 cents per gallon, down 3.95 cents from last week but 27.80 cents above last year.

The national average retail regular gasoline price increased to another record high at 206.4 cents per gallon on May 24, 2004, 4.7 cents per gallon more than last week and 57.7 cents per gallon over a year ago. The national average retail diesel fuel price fell slightly to 176.1 cents per gallon, 0.2 cent per gallon below last week but 32.7 cents per gallon more than a year ago.

Refinery Activity (Thousand Barrels per Day)

| | Four Weeks Ending | | |
|---|-------------------|----------|----------|
| | 05/21/04 | 05/14/04 | 05/21/03 |
| Crude Oil Input to Refineries | 15,797 | 15,634 | 15,821 |
| Refinery Capacity Utilization (Percent) | 94.7 | 93.9 | 95.3 |
| Motor Gasoline Production | 8,916 | 8,879 | 8,686 |
| Distillate Fuel Oil Production | 3,834 | 3,888 | 3,848 |

See Table 2.

Stocks (Million Barrels)

| | Four Weeks Ending | | |
|----------------------------------|-------------------|----------|----------|
| | 05/21/04 | 05/14/04 | 05/21/03 |
| Crude Oil (Excluding SPR) | 298.9 | 298.9 | 285.9 |
| Motor Gasoline | 203.0 | 203.7 | 208.0 |
| Distillate Fuel Oil ¹ | 108.7 | 109.2 | 102.9 |
| All Other Oils | 324.3 | 322.0 | 319.1 |
| Crude Oil in SPR ² | 659.5 | 659.3 | 601.9 |
| Total | 1594.4 | 1593.1 | 1517.8 |

See Table 3.

Net Imports (Thousand Barrels per Day)

| | Four Weeks Ending | | |
|--------------------|-------------------|----------|----------|
| | 05/21/04 | 05/14/04 | 05/21/03 |
| Crude Oil | 10,024 | 10,018 | 9,987 |
| Petroleum Products | 1,712 | 1,755 | 1,638 |
| Total | 11,736 | 11,772 | 11,625 |

See Table 1.

¹ Distillate fuel oil stocks located in the "Northeast Heating Oil Reserve" are not included.

² Crude oil stocks in the SPR include non-U.S. stocks held under foreign or commercial storage agreements.

Notes: • NA=Not Available. • Data may not add to total due to independent rounding.

Products Supplied (Thousand Barrels per Day)

| | Four Weeks Ending | | |
|---------------------|-------------------|----------|----------|
| | 05/21/04 | 05/14/04 | 05/21/03 |
| Motor Gasoline | 9,143 | 9,168 | 9,008 |
| Distillate Fuel Oil | 3,928 | 3,925 | 3,772 |
| All Other Products | 7,100 | 6,856 | 6,638 |
| Total | 20,171 | 19,949 | 19,418 |

See Table 10.

Prices (Cents per Gallon except as noted)

| | Week Ending | | |
|--|-------------|----------|----------|
| | 05/21/04 | 05/14/04 | 05/23/03 |
| World Crude Oil (Dollars per Barrel) | 36.15 | 35.01 | 24.92 |
| Spot Prices | | | |
| WTI Crude Oil - Cushing (Dollars per Barrel) | 39.83 | 41.42 | 29.74 |
| Conv. Regular Gasoline - NYH | 136.15 | 139.20 | 83.30 |
| RFG Regular - NYH | 144.40 | 145.45 | 91.55 |
| No. 2 Heating Oil - NYH | 100.05 | 104.80 | 74.85 |
| No. 2 Low-sulfur Diesel Fuel - NYH | 104.55 | 108.50 | 76.75 |
| Kerosene-Type Jet - NYH | 109.05 | 123.00 | 76.20 |
| Residual Fuel - NYH | 73.52 | 72.69 | 57.14 |
| Propane - Mont Belvieu | 68.00 | 69.13 | 55.88 |
| | 05/24/04 | 05/17/04 | 05/26/03 |
| Retail Prices | | | |
| Motor Gasoline - Regular | 206.4 | 201.7 | 148.7 |
| Motor Gasoline - Midgrade | 215.5 | 210.6 | 158.0 |
| Motor Gasoline - Premium | 224.2 | 218.9 | 167.2 |
| On-Highway Diesel Fuel | 176.1 | 176.3 | 143.4 |

See Tables 13, 14, 15 and 17.